

**SOUTHERN CALIFORNIA PUBLIC POWER AUTHORITY
COMMENT SUPPORTING
AN EXTENSION FOR SUBMITTING THE ALLOCATION REPORT**

November 20, 2009

To the Economic and Allocation Advisory Committee:

Larry Goulder, Chair, Stanford University, Stanford, CA
Justin Adams, Forward Observer, Sacramento, CA
Vicki Arroyo, Georgetown State and Federal Resource Center, Washington, DC
Matthew Barger, Hellman and Friedman LLC, San Francisco, CA
James K. Boyce, University of Massachusetts, Amherst, MA
Dallas Burtraw, Resources for the Future, Washington, DC
James Bushnell, University of California Energy Institute, Berkeley, CA
Robert Fischer, Gap, Inc., San Francisco, CA
Richard Frank, California Center for Environmental Law & Policy, Sacramento, CA
Dan Kammen, University of California, Berkeley, CA
Christopher R. Knittel, University of California, Davis, CA
Joe Krueger, Bipartisan Policy Center, National Commission on Energy Policy,
Washington, DC
Stephen Levy, Center for the Continuing Study of the California Economy,
Palo Alto, CA
Joe Nation, Stanford University, Stanford, CA
Nancy E. Ryan, California Public Utilities Commission, San Francisco, CA
Nancy Sidhu, Los Angeles County Economic Development Corporation,
Los Angeles, CA
James L. Sweeney, Stanford University, Stanford, CA

The Southern California Public Power Authority (“SCPPA”)¹ urges the Economic and Allocation Advisory Committee (“EAAC”) to seek an extension of the due date for its report on cap-and-trade allowance and revenue allocation issues. The extension for the allocation report should, at minimum, parallel the extension that the Committee seeks for providing input to the Air Resources Board (“ARB”) Staff about the ARB’s economic analysis.

¹ SCPPA is a joint powers authority. The members are Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Los Angeles Department of Water and Power, Imperial Irrigation District, Pasadena, Riverside, and Vernon. This comment is sponsored by Anaheim, Azusa, Banning, Burbank, Cerritos, Colton, Glendale, Imperial Irrigation District, Pasadena, and Riverside.

At its November 18, 2009 meeting, EAAC Chair Larry Goulder proposed that the EAAC seek an extension to the end of February, 2010, for providing input to the ARB Staff about the economic analysis. However, as SCPPA understands it, the EAAC does not plan to seek an extension for completing its report on allocation issues. The final allocation report would still be submitted in January, 2010.

As a result, the EAAC would complete its allocation report *before* it has the benefit of the completed and reviewed ARB economic analysis. If anything, it would seem that the allocation report should come *after* the completion of the economic analysis. From a review of the latest (November 16, 2009) draft of the Committee's allocation report, the report seems to rely primarily on economic theory without the support of the economic analysis that is supposed to be forthcoming.

In order to enable the Committee to have a better opportunity to utilize the results of the ARB's economic analysis in developing the allocation report, SCPPA urges the Committee to seek an extension for submitting the allocation report until, at the earliest, the end of February, 2010, or, preferably, March, 2010.

Respectfully submitted,

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